GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

STARRED QUESTION NO:257
ANSWERED ON:20.03.2017
Foreign Trade Policy
Gaddigoudar Shri Parvatagouda Chandanagouda;Kateel Shri Nalin Kumar

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Government has unveiled its first five-year Foreign Trade Policy (FTP) in 2015;
(b) if so, the details and the objectives thereof along with the salient features of FTP;
(c) whether the Government has conducted a review of FTP to understand the response of the various sectors;
(d) if so, the details thereof along with the outcome of the said review; and
(e) whether the Government has taken steps to tweak the said FTP in order to encourage exports and if so, the details thereof?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (INDEPENDENT CHARGE)
(SMT. NIRMALA SITHARAMAN)

a) to e): A Statement is laid on the Table of the House.

*****
STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) OF LOK SABHA STARRED QUESTION NO. 257 FOR ANSWER ON 20th MARCH, 2017
REGARDING "FOREIGN TRADE POLICY"

(a) Yes, Madam. The Government has announced the Foreign Trade Policy 2015-20 on 01.04.2015 in place of previous Foreign Trade Policy 2009-14.

(b) The new five year Foreign Trade Policy, 2015-20 provides a framework for increasing exports of goods and services as well as generation of employment and increasing value addition in the country, in keeping with the "Make in India" vision of our Hon"ble Prime Minister.
The focus of the government is to support both the manufacturing and services sectors, with a special emphasis on improving the "ease of doing business". FTP 2015-20 introduces two new schemes, namely "Merchandise Exports from India Scheme (MEIS)" for export of specified goods to specified markets and "Services Exports from India Scheme (SEIS)" for increasing exports of notified services, in place of a plethora of schemes earlier, with different conditions for eligibility and usage. There would be no conditionality attached to any scrips issued under these schemes. Duty credit scrips issued under MEIS and SEIS and the goods imported against these scrips are fully transferable.
Measures have been adopted to nudge procurement of capital goods from indigenous manufacturers under the EPCG scheme by reducing specific export obligation to 75% of the normal export obligation. This will promote the domestic capital goods manufacturing industry. Such flexibilities will help exporters to develop their productive capacities for both local and global consumption.
Measures have been taken to give a boost to exports of defence and hi-tech items. At the same time e-Commerce exports of handloom products, books/periodicals, leather footwear, toys and customized fashion garments through courier or foreign post office would also be able to get benefit of MEIS (for values up to 25,000 INR). These measures would not only capitalize on our strength in these areas and increase exports but also provide employment.
In order to give a boost to exports from SEZs, it has been decided to extend benefits of both the reward schemes (MEIS and SETS) to units located in SEZs. This will benefit the manufacturing sector in terms of both technology transfer and gainful employment.
Trade facilitation and enhancing the ease of doing business are major focus areas in this FTP. It has been our endeavor and commitment to move towards paperless processing. We have reduced the number of mandatory documents required for exports and imports to three, which is comparable with international benchmarks.
DGFT will continue to mentor new and potential exporters through the "Niryat Bandhu Scheme". The scheme has been galvanized and repositioned to achieve the objectives of "Skill India".
(c) & (d): Mid-term Review of Foreign Trade Policy 2015-20 is underway. Sectoral review meetings with Apex Trade Bodies, Export Promotion Councils and Commodity Boards for Mid-Term policy review is going on. Comments and views are also being sought from Ministries/Departments, Government of India and State Governments.
(e) : The Government has been amending the provisions of Foreign Trade Policy from time to time based on inputs/ requests received from the trade bodies/ exporters etc. through Notifications and Public Notices. Details of such amendments / revisions are available in public domain i.e. www.dgft.gov.in.

*****